

SCHEDULE A

DRAFT BUDGET AND SUPPORTING DOCUMENTATION OF VULAMEHLO MUNICIPALITY

DRAFT BUDGET OF

VULAMEHLO MUNICIPALITY



2014/2015 TO 2016/2017

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Abbreviations and Acronyms

AMR	Automated Meter Reading	ℓ	litre
ASGISA	Accelerated and Shared Growth Initiative	LED	Local Economic Development
BPC	Budget Planning Committee	MEC	Member of the Executive Committee
CBD	Central Business District	MFMA	Municipal Financial Management Act Programme
CFO	Chief Financial Officer	MIG	Municipal Infrastructure Grant
CM	City Manager	MMC	Member of Mayoral Committee
CPI	Consumer Price Index	MPRA	Municipal Properties Rates Act
CRRF	Capital Replacement Reserve Fund	MSA	Municipal Systems Act
DBSA	Development Bank of South Africa	MTEF	Medium-term Expenditure Framework
DoRA	Division of Revenue Act	MTREF	Medium-term Revenue and Expenditure Framework
DWA	Department of Water Affairs	NERSA	National Electricity Regulator South Africa
EE	Employment Equity	NGO	Non-Governmental organisations
EEDSM	Energy Efficiency Demand Side Management	NKPIs	National Key Performance Indicators
EM	Executive Mayor	OHS	Occupational Health and Safety
FBS	Free basic services	OP	Operational Plan
GAMAP	Generally Accepted Municipal Accounting Practice	PBO	Public Benefit Organisations
GDP	Gross domestic product	PHC	Provincial Health Care
GDS	Gauteng Growth and Development Strategy	PMS	Performance Management System
GFS	Government Financial Statistics	PPE	Property Plant and Equipment
GRAP	General Recognised Accounting Practice	PPP	Public Private Partnership
HR	Human Resources	PTIS	Public Transport Infrastructure System
HSRC	Human Science Research Council	RG	Restructuring Grant
IDP	Integrated Development Strategy	RSC	Regional Services Council
IT	Information Technology	SALGA	South African Local Government Association
kℓ	kilolitre	SAPS	South African Police Service
km	kilometre	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator		
kWh	kilowatt		

Part 1 – Annual Budget

1. Mayor's Report

MAYORAL DRAFT BUDGET SPEECH

It gives me great pleasure to present the Municipal Draft Budget for the 2014/2015 Financial Year. This Budget is a true reflection of the partnership between the municipality and its communities. We will conduct Budget Road shows within the municipal area, soliciting inputs from our communities and the inputs received will help us understand the needs of our citizens.

We hope that with this draft budget we will be able to deliver services in an equitable manner. We know and understand that our community needs will not all be addressed in its entirety but we will be able to address some of the basic needs.

CLLR T.W DUBE

MAYOR- VULAMEHLO MUNICIPALITY

Vulamehlo Municipality

2014/15 Draft Budget and MTREF

Council Resolutions

Executive Summary

a. General

The total budget quantum for the 2014/15 year is R90, 079 million, of which R67, 346million (75%) is allocated to the Operating Budget and R22, 733million (25%) to the Capital Budget.

b. Operating Budget

Expenditure

Total Operating expenditure has increased from R 59,440 million in 2013/2014 to R 90,079 million in 2014/15.

Revenue

Operating revenue increases from R 43,878 million in 2013/2014 to R58,947 million in 2014/15.

c. Capital Budget

The Capital Budget increases from R 23,614 million in 2013/14(original budget) to R 22,733 million in 2014/15.

2. Annual Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2014/2015 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes*

KZN211 Vulamehlo - Table A1 Budget Summary

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands										
Financial Performance										
Property rates	1 622	1 487	–	2 244	2 244	2 244	–	2 235	2 235	2 235
Service charges	–	–	–	–	–	–	–	–	–	–
Investment revenue	–	–	–	–	–	–	–	650	700	750
Transfers recognised - operational	–	–	–	41 553	41 553	41 553	–	52 657	65 796	66 847
Other own revenue	114	130	–	81	3 432	3 432	–	3 405	3 260	3 230
Total Revenue (excluding capital transfers and contributions)	1 736	1 617	–	43 878	47 230	47 230	–	58 947	71 991	73 062
Employee costs	7 887	10 958	–	16 206	16 586	16 586	–	18 332	19 505	20 753
Remuneration of councillors	–	–	–	7 080	7 406	7 406	–	5 607	5 888	6 182
Depreciation & asset impairment	5 203	5 666	–	13 000	13 000	13 000	–	8 400	8 854	9 332
Finance charges	–	–	–	–	–	–	–	1 135	1 197	1 261
Materials and bulk purchases	–	–	–	–	–	–	–	–	–	–
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	5 387	–	–	14 764	22 449	22 449	–	56 605	63 005	62 755
Total Expenditure	18 476	16 624	–	51 050	59 440	59 440	–	90 079	98 448	100 283
Surplus/(Deficit)	(16 740)	(15 007)	–	(7 172)	(12 211)	(12 211)	–	(31 133)	(26 457)	(27 222)
Transfers recognised - capital	–	–	–	23 614	23 614	23 614	–	22 733	26 253	27 394
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(16 740)	(15 007)	–	16 442	11 403	11 403	–	(8 400)	(204)	172
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(16 740)	(15 007)	–	16 442	11 403	11 403	–	(8 400)	(204)	172
Capital expenditure & funds sources										
Capital expenditure	–	–	–	–	–	–	–	22 733	26 253	27 394
Transfers recognised - capital	–	–	–	–	–	–	–	22 733	26 253	27 394
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–	–	–	–	–
Total sources of capital funds	–	–	–	–	–	–	–	22 733	26 253	27 394
Financial position										
Total current assets	8 356	6 492	4 120	4 120	4 120	4 120	4 422	25 760	37 630	28 192
Total non current assets	86 340	93 980	123 651	109 171	109 171	109 171	123 051	144 492	158 986	169 203
Total current liabilities	9 433	6 590	10 559	10 561	10 561	10 561	4 380	2 832	2 632	4 200
Total non current liabilities	249	1 023	279	279	279	279	360	100	80	100
Community wealth/Equity	95 631	107 859	106 974	106 974	106 974	106 974	172 910	141 398	145 227	152 000
Cash flows										
Net cash from (used) operating	4 743	13 407	–	29 970	–	–	–	(8 400)	(4 553)	(3 503)
Net cash from (used) investing	(4 507)	(15 940)	–	(28 614)	–	–	–	(22 733)	(26 253)	(27 394)
Net cash from (used) financing	(491)	1 976	–	256	–	256	–	(1 504)	(1 561)	(515)
Cash/cash equivalents at the year end	(254)	(811)	(811)	3 515	–	256	–	(32 637)	(65 004)	(96 415)
Cash backing/surplus reconciliation										
Cash and investments available	6 108	4 269	1 904	1 902	1 902	1 902	3 013	23 059	34 620	26 000
Application of cash and investments	7 132	3 293	9 696	2 149	9 696	9 696	3 496	1 419	1 087	3 028
Balance - surplus (shortfall)	(1 023)	976	(7 792)	(247)	(7 794)	(7 794)	(483)	21 640	33 533	22 972
Asset management										
Asset register summary (WDV)	–	1 012	779	1 133	1 133	1 133	366	366	560	560
Depreciation & asset impairment	5 203	5 666	–	13 000	13 000	13 000	8 400	8 400	8 854	9 332
Renewal of Existing Assets	–	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	–	533	–	754	–	–	4 951	4 951	5 630	5 730
Free services										
Cost of Free Basic Services provided	–	–	–	–	–	–	96	96	108	120
Revenue cost of free services provided	–	–	–	–	–	–	96	96	108	120
Households below minimum service level										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sew erage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reform emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 1. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 2. Capital expenditure is balanced by capital funding sources, of which
 1. Transfers recognised is reflected on the Financial Performance Budget;
 2. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 3. Internally generated funds is financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor.

Table 2 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

KZN211 Vulamehlo - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		43 274	37 493	-	36 962	41 112	41 112	45 469	55 529	56 256
Executive and council		43 274	179	-	11 093	11 653	11 653	14 798	17 848	18 082
Budget and treasury office		-	37 314	-	8 022	8 743	8 743	9 523	11 899	12 055
Corporate services		-	-	-	17 847	20 716	20 716	21 147	25 781	26 119
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	13 056	-	7 811	11 546	11 546	36 211	43 630	44 201
Planning and development		-	-	-	-	-	-	36 211	43 630	44 201
Road transport		-	13 056	-	7 811	11 546	11 546	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	43 274	50 549	-	44 773	52 658	52 658	81 680	99 158	100 457
Expenditure - Standard										
<i>Governance and administration</i>		-	-	-	49 962	44 015	44 015	53 869	60 487	61 482
Executive and council		-	-	-	11 093	11 653	11 653	14 798	19 442	19 762
Budget and treasury office		-	-	-	21 022	21 683	21 683	17 923	12 961	13 175
Corporate services		-	-	-	17 847	10 679	10 679	21 147	28 083	28 545
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	7 811	8 068	8 068	36 211	47 525	48 307
Planning and development		-	-	-	-	-	-	36 211	47 525	48 307
Road transport		-	-	-	7 811	8 068	8 068	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	-	-	-	57 773	52 083	52 083	90 080	108 012	109 789
Surplus/(Deficit) for the year		43 274	50 549	-	(13 000)	575	575	(8 400)	(8 854)	(9 332)

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.

Table 3 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

KZN211 Vulamehlo - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER		-	-	-	3 839	3 809	3 809	6 870	7 933	8 037
Vote 2 - FINANCE DEPARTMENT		-	-	-	8 022	8 743	8 743	9 523	11 899	12 055
Vote 3 - CORPORATE SERVICES		-	-	-	17 847	20 716	20 716	21 147	25 781	26 119
Vote 4 - TECHNICAL SERVICES		-	-	-	7 811	11 546	11 546	36 211	43 630	44 201
Vote 5 - COUNCIL		-	-	-	7 254	7 844	7 844	7 928	9 916	10 046
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	-	-	44 773	52 658	52 658	81 680	99 158	100 457
Expenditure by Vote to be appropriated	1									
Vote 1 - MUNICIPAL MANAGER		-	-	-	3 839	3 809	3 809	6 870	8 641	8 783
Vote 2 - FINANCE DEPARTMENT		-	-	-	21 022	21 683	21 683	17 923	12 961	13 175
Vote 3 - CORPORATE SERVICES		-	-	-	17 847	10 679	10 679	21 147	28 083	28 545
Vote 4 - TECHNICAL SERVICES		-	-	-	7 811	8 068	8 068	36 211	47 525	48 307
Vote 5 - COUNCIL		-	-	-	7 254	7 844	7 844	7 928	10 801	10 979
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	-	-	57 773	52 083	52 083	90 080	108 012	109 789
Surplus/(Deficit) for the year	2	-	-	-	(13 000)	575	575	(8 400)	(8 854)	(9 332)

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

- Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote. The following table is an analysis of the surplus or deficit for the electricity and water trading services.

Table4 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

KZN211 Vulamehlo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue By Source											
Property rates	2	1 622	1 487	–	2 244	2 244	2 244	–	2 235	2 235	2 235
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - other											
Rental of facilities and equipment									297	220	188
Interest earned - external investments									650	700	750
Interest earned - outstanding debtors											
Dividends received											
Fines											
Licences and permits											
Agency services											
Transfers recognised - operational					41 553	41 553	41 553		52 657	65 796	66 847
Other revenue	2	114	130	–	81	3 432	3 432	–	3 108	3 040	3 042
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		1 736	1 617	–	43 878	47 230	47 230	–	58 947	71 991	73 062
Expenditure By Type											
Employee related costs	2	7 887	10 958	–	16 206	16 586	16 586	–	18 332	19 505	20 753
Remuneration of councillors					7 080	7 406	7 406		5 607	5 888	6 182
Debt impairment	3				1 000	1 000	1 000		2 000	2 000	2 222
Depreciation & asset impairment	2	5 203	5 666	–	13 000	13 000	13 000	–	8 400	8 854	9 332
Finance charges									1 135	1 197	1 261
Bulk purchases	2	–	–	–	–	–	–	–	–	–	–
Other materials	8										
Contracted services		–	–	–	–	–	–	–	1 941	5 067	2 156
Transfers and grants		–	–	–	–	–	–	–	–	–	–
Other expenditure	4, 5	5 387	–	–	13 764	21 449	21 449	–	52 664	55 938	58 377
Loss on disposal of PPE											
Total Expenditure		18 476	16 624	–	51 050	59 440	59 440	–	90 079	98 448	100 283
Surplus/(Deficit)		(16 740)	(15 007)	–	(7 172)	(12 211)	(12 211)	–	(31 133)	(26 457)	(27 222)
Transfers recognised - capital					23 614	23 614	23 614		22 733	26 253	27 394
Contributions recognised - capital	6	–	–	–	–	–	–	–	–	–	–
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		(16 740)	(15 007)	–	16 442	11 403	11 403	–	(8 400)	(204)	172
Taxation											
Surplus/(Deficit) after taxation		(16 740)	(15 007)	–	16 442	11 403	11 403	–	(8 400)	(204)	172
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(16 740)	(15 007)	–	16 442	11 403	11 403	–	(8 400)	(204)	172
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(16 740)	(15 007)	–	16 442	11 403	11 403	–	(8 400)	(204)	172

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R81.679million in 2014/2015 and escalates to R99.158 by 2016/2017.
2. Revenue to be generated from property rates is R2.2million in the 2014/2015 financial year which represents only 3 per cent of the operating revenue base of the Municipality and therefore remains an insignificant funding source for the municipality.
3. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF. Government grants are the main sources of the municipality's revenue since it totals to 95% which makes our municipality grants dependent.

Table 5 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Vulamehlo Municipality

2014/15 Draft Budget and MTREF

KZN211 Vulamehlo - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Capital expenditure - Vote											
<i>Multi-year expenditure to be appropriated</i>	2										
Vote 1 - MUNICIPAL MANAGER		13 330	77 333	-	-	-	-	-	-	-	-
Vote 2 - FINANCE DEPARTMENT		-	280	-	-	-	-	-	23	-	-
Vote 3 - CORPORATE SERVICES		-	503	-	1 577	-	-	-	100	100	-
Vote 4 - TECHNICAL SERVICES		-	2 166	-	22 037	-	-	-	22 400	26 153	27 394
Vote 5 - COUNCIL		-	-	-	-	-	-	-	210	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	13 330	80 282	-	23 614	-	-	-	22 733	26 253	27 394
<i>Single-year expenditure to be appropriated</i>	2										
Vote 1 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCE DEPARTMENT		-	-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 5 - COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote		13 330	80 282	-	23 614	-	-	-	22 733	26 253	27 394
Capital Expenditure - Standard											
<i>Governance and administration</i>		-	-	-	-	-	-	-	333	100	-
Executive and council									210		
Budget and treasury office									23		
Corporate services									100	100	
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-
Community and social services											
Sport and recreation											
Public safety											
Housing											
Health											
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	22 400	26 153	27 394
Planning and development									22 400	26 153	27 394
Road transport											
Environmental protection											
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-
Electricity											
Water											
Waste water management											
Waste management											
<i>Other</i>											
Total Capital Expenditure - Standard	3	-	-	-	-	-	-	-	22 733	26 253	27 394
Funded by:											
National Government									22 733	26 253	27 394
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	-	-	-	-	-	-	-	22 733	26 253	27 394
Public contributions & donations	5										
Borrowing	6										
Internally generated funds											
Total Capital Funding	7	-	-	-	-	-	-	-	22 733	26 253	27 394

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations there is no budget allocated since the municipality does not have multi-year capital projects.
3. Single-year capital expenditure has been appropriated at R22.73million for the 2014/2015 financial year and decreases over the MTREF at levels of R26.25 million and R27.39 million respectively for the two outer years.
4. The single-year appropriations relate to expenditure that will be incurred in the specific budget year such as construction of access roads, construction of a craft centre, procurement of vehicles, plant and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
5. The capital programme is funded from capital and national grants and transfers.

Table 6 MBRR Table A6 - Budgeted Financial Position

KZN211 Vulamehlo - Table A6 Budgeted Financial Position

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
ASSETS											
Current assets											
Cash		1 701	1 142	1 904	1 904	1 904	1 904	3 015	6 895	10 007	14 000
Call investment deposits	1	4 407	3 126	–	–	–	–	–	16 164	24 613	12 000
Consumer debtors	1	268	337	–	–	–	–	–	707	910	42
Other debtors		1 979	1 886	2 216	2 216	2 216	2 216	1 407	1 995	2 100	2 150
Current portion of long-term receivables											
Inventory	2										
Total current assets		8 356	6 492	4 120	4 120	4 120	4 120	4 422	25 760	37 630	28 192
Non current assets											
Long-term receivables			433								
Investments											
Investment property											
Investment in Associate											
Property, plant and equipment	3	86 340	82 357	96 646	96 646	96 646	96 646	110 525	92 817	95 552	95 543
Agricultural											
Biological											
Intangible			1 012	779	1 133	1 133	1 133	1 133	366	560	560
Other non-current assets			10 178	26 227	11 392	11 392	11 392	11 392	51 309	62 874	73 100
Total non current assets		86 340	93 980	123 651	109 171	109 171	109 171	123 051	144 492	158 986	169 203
TOTAL ASSETS		94 695	100 472	127 771	113 291	113 291	113 291	127 473	170 252	196 616	197 395
LIABILITIES											
Current liabilities											
Bank overdraft	1				2	2	2	2	–	–	–
Borrowing	4	771	1 730	863	863	863	863	883	200	200	200
Consumer deposits											
Trade and other payables	4	8 662	4 860	9 696	9 696	9 696	9 696	3 496	2 632	2 432	4 000
Provisions											
Total current liabilities		9 433	6 590	10 559	10 561	10 561	10 561	4 380	2 832	2 632	4 200
Non current liabilities											
Borrowing		249	1 023	279	279	279	279	360	100	80	100
Provisions		–	–	–	–	–	–	–	–	–	–
Total non current liabilities		249	1 023	279	279	279	279	360	100	80	100
TOTAL LIABILITIES		9 683	7 613	10 838	10 840	10 840	10 840	4 740	2 932	2 712	4 300
NET ASSETS	5	85 013	92 859	116 933	102 451	102 451	102 451	122 733	167 320	193 904	193 095
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		95 631	107 859	106 974	106 974	106 974	106 974	172 910	141 398	145 227	152 000
Reserves	4	–	–	–	–	–	–	–	–	–	–
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	95 631	107 859	106 974	106 974	106 974	106 974	172 910	141 398	145 227	152 000

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table SA3 is supported by an extensive table of notes providing a detailed analysis of the major components of a number of items, including:
 1. Call investments deposits;
 1. Consumer debtors;
 2. Property, plant and equipment;
 3. Trade and other payables;
 4. Provisions non current;
 5. Changes in net assets; and
 6. Reserves
7. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
8. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 7MBRR Table A7 - Budgeted Cash Flow Statement

KZN211 Vulamehlo - Table A7 Budgeted Cash Flows

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		1 182	954		7 918				2 532	2 455	2 423
Government - operating	1	36 564	32 155		42 676				52 657	65 796	66 847
Government - capital	1	–	15 741		23 614				22 733	26 253	27 394
Interest		329	221		300				650	700	750
Dividends											
Payments											
Suppliers and employees		13 613	(16 112)		(44 179)				(85 836)	(98 560)	(99 655)
Finance charges		205	(411)		(360)				(1 135)	(1 197)	(1 261)
Transfers and Grants	1	(47 151)	(19 141)								
NET CASH FROM/(USED) OPERATING ACTIVITIES		4 743	13 407	–	29 970	–	–	–	(8 400)	(4 553)	(3 503)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		82	(3 202)		–				–		
Decrease (increase) in non-current debtors					–				–		
Decrease (increase) other non-current receivables		2 661	94		1 000						
Decrease (increase) in non-current investments		5 670	1 281		(6 000)						
Payments											
Capital assets		(12 920)	(14 114)		(23 614)				(22 733)	(26 253)	(27 394)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(4 507)	(15 940)	–	(28 614)	–	–	–	(22 733)	(26 253)	(27 394)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		(491)	3 021		(744)		(744)		–	–	–
Borrowing long term/refinancing					1 000		1 000		–	–	–
Increase (decrease) in consumer deposits											
Payments											
Repayment of borrowing			(1 044)						(1 504)	(1 561)	(515)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(491)	1 976	–	256	–	256	–	(1 504)	(1 561)	(515)
NET INCREASE/ (DECREASE) IN CASH HELD		(254)	(557)	–	1 611	–	256	–	(32 637)	(32 367)	(31 411)
Cash/cash equivalents at the year begin:	2		(254)	(811)	1 904					(32 637)	(65 004)
Cash/cash equivalents at the year end:	2	(254)	(811)	(811)	3 515	–	256	–	(32 637)	(65 004)	(96 415)

Table 8 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

KZN211 Vulamehlo - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Cash and investments available											
Cash/cash equivalents at the year end	1	(254)	(811)	(811)	3 515	–	256	–	(32 637)	(65 004)	(96 415)
Other current investments > 90 days		6 363	5 080	2 715	(1 613)	1 902	1 646	3 013	55 696	99 624	122 415
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		6 108	4 269	1 904	1 902	1 902	1 902	3 013	23 059	34 620	26 000
Application of cash and investments											
Unspent conditional transfers		6 043	2 981	6 764	6 764	6 764	6 764	1 764	1 000	1 000	2 500
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2								–	–	–
Other working capital requirements	3	1 089	312	2 932	(4 615)	2 932	2 932	1 732	419	87	528
Other provisions									–	–	–
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5								–	–	–
Total Application of cash and investments:		7 132	3 293	9 696	2 149	9 696	9 696	3 496	1 419	1 087	3 028
Surplus(shortfall)		(1 023)	976	(7 792)	(247)	(7 794)	(7 794)	(483)	21 640	33 533	22 972

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. The cash and investments available exceed the applications, the municipality budget has been “funded”.

Table 9 MBRRTable A9 - Asset Management

KZN211 Vulamehlo - Table A9 Asset Management

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	18 507	15 741	-	20 707	5 000	5 000	22 733	26 466	27 394
Infrastructure - Road transport		13 330	15 741	-	-	-	-	5 857	2 815	-
Infrastructure - Electricity		-	-	-	5 000	5 000	5 000	5 000	9 000	9 000
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		13 330	15 741	-	5 000	5 000	5 000	10 857	11 815	9 000
Community		5 177	-	-	14 211	-	-	11 243	14 351	18 394
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	1 495	-	-	633	300	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	13 330	15 741	-	-	-	-	5 857	2 815	-
Infrastructure - Road transport		-	-	-	5 000	5 000	5 000	5 000	9 000	9 000
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		13 330	15 741	-	5 000	5 000	5 000	10 857	11 815	9 000
Community		5 177	-	-	14 211	-	-	11 243	14 351	18 394
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	1 495	-	-	633	300	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	18 507	15 741	-	20 707	5 000	5 000	22 733	26 466	27 394

Table 9 MBRR Table A9 - Asset Management (continued)

EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		5 203	5 666	-	13 000	13 000	13 000	8 400	8 854	9 332
Repairs and Maintenance by Asset Class	3	-	533	-	754	-	-	4 951	5 630	5 730
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	200	-	-	1 957	2 500	2 500
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	-	533	-	554	-	-	2 994	3 130	3 230
TOTAL EXPENDITURE OTHER ITEMS		5 203	6 199	-	13 754	13 000	13 000	13 351	14 484	15 062
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE		0.0%	0.6%	0.0%	0.8%	0.0%	0.0%	5.3%	5.9%	6.0%
Renewal and R&M as a % of PPE		0.0%	53.0%	0.0%	67.0%	0.0%	0.0%	1352.0%	1005.0%	1023.0%

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. However due to the fact that there is a lack of infrastructure in the municipality, it does not meet the recommendation.

Table 10 MBRR Table A10 - Basic Service Delivery Measurement

Vulamehlo Municipality

2014/15 Draft Budget and MTREF

KZN211 Vulamehlo - Table A10 Basic service delivery measurement

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Household service targets	1									
Water:										
Piped water inside dwelling										
Piped water inside yard (but not in dwelling)										
Using public tap (at least min.service level)	2									
Other water supply (at least min.service level)	4									
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3									
Other water supply (< min.service level)	4									
No water supply										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:										
Flush toilet (connected to sewerage)										
Flush toilet (with septic tank)										
Chemical toilet										
Pit toilet (ventilated)										
Other toilet provisions (> min.service level)										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet										
Other toilet provisions (< min.service level)										
No toilet provisions										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Energy:										
Electricity (at least min.service level)										
Electricity - prepaid (min.service level)										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Refuse:										
Removed at least once a week										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week										
Using communal refuse dump										
Using own refuse dump										
Other rubbish disposal										
No rubbish disposal										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)										
Sanitation (free minimum level service)										
Electricity/other energy (50kwh per household per month)										
Refuse (removed at least once a week)										
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)										
Sanitation (free sanitation service)										
Electricity/other energy (50kwh per household per month)								96	108	120
Refuse (removed once a week)										
Total cost of FBS provided (minimum social package)		-	-	-	-	-	-	96	108	120
Highest level of free service provided										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)										
Property rates (other exemptions, reductions and rebates)										
Water										
Sanitation										
Electricity/other energy								96	108	120
Refuse										
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6	-	-	-	-	-	-	96	108	120

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. The municipality does not provide services such as water, sanitation, energy and refuse removal.
3. Water and sanitation is provided by Ugu District municipality, energy is supplied by Eskom.
4. Currently there is no refuse removal in the municipality.

Part 2 – Supporting Documentation

Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee is to ensure:

1. that the process followed to compile the budget complies with legislation and good budget practices;
2. that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
3. that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
4. that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2014) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule on 25 August 2014. Key dates applicable to the process were:

1. **July 2013** – Prepare joint process plan for IDP, PMS and Budget and advertise draft IDFP review;
2. **August 2013**–Submit process plan to IDP forum, portfolio committees and council. Liaise with national and provincial governments for planning and budgeting process;
3. **September 2013**– Assessment of objectives, strategies and projects against cross cutting issues. Assessment of alignment of IDP strategies & projects for medium term in relation to NSDP and PGDF. Determine funding availability & requirements per sector plan and where relevant prepare business plan/ terms of reference and roll out accordingly;
4. **October 2013**– Review and confirm objectives, strategies and projects at IDPRF workshop. Review capital, institutional, operational, maintenance projects. Estimate available resources and provide guidance for way forward for budgeting;

5. **November 2013**—Submit revised projects to Treasury. Submit first Draft IDP to IDP steering committee and council for in principle approval
6. **December 2013** – Submit budget instructions and 2013/14 budget framework to all relevant persons. Submit draft IDP to COGTA for assessment. Preparation of summary of available funds (internal and external);
7. **January 2014** - Council considers the 2013/14 Mid-year Review and Adjustments Budget;
8. **February 2014**— Assess financial feasibility of proposed new projects based on existing and potential funds. Consideration of draft budget;
9. **March 2014**- Tabling in Council of the draft 2014/15 IDP and 2014/15 MTREF for public consultation;
10. **April 2014**— Public consultation;
11. **May 2014**—finalisation of the 2014/15 IDP and 2014/15 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and tabling of the 2014/15 MTREF before Council for consideration and approval.

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council.

IDP and Service Delivery and Budget Implementation Plan

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fifth revision cycle included the following key IDP processes and deliverables:

12. Registration of community needs;
13. Compilation of departmental business plans including key performance indicators and targets;
14. Financial planning and budgeting process;
15. Public participation process;
16. Compilation of the SDBIP, and
17. The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2013/2014 MTREF, based on the approved 2012/2013 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2014/15 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2014/15 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

Financial Modelling and Key Planning Drivers

As part of the compilation of the 2014/15 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2014/15 MTREF:

18. Municipality growth
19. Policy priorities and strategic objectives
20. Asset maintenance
21. Economic climate and trends (i.e inflation)
22. Performance trends
23. The approved 2014/15 adjustments budget and performance against the SDBIP
24. Cash Flow Management Strategy
25. Debtor payment levels
26. Investment possibilities
27. The need for tariff increases versus the ability of the community to pay for services;
28. Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 58 and 59 has been taken into consideration in the planning and prioritisation process.

Community Consultation

The draft 2014/15 MTREF as tabled before Council on 28 March 2014 for community consultation has been published on the municipality's website, and hard copies have been made available at municipal offices and other community centres. In addition budget road shows were held in different municipal clusters. Inputs were also collected via e-mails.

All documents in the appropriate format (electronic and printed) will be provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Ward Committees were utilised to facilitate the community consultation process in April 2013. The applicable dates and venues were published in all the local newspapers. Imbizo's will be held to further ensure transparency and interaction. Other stakeholders involved in the consultation will include churches, non-governmental institutions and community-based organisations.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects were addressed, and where relevant considered as part of the finalisation of the 2014/15 MTREF.

Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality's strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

29. Green Paper on National Strategic Planning of 2009;
30. Government Programme of Action;
31. Development Facilitation Act of 1995;
32. Provincial Growth and Development Strategy (GGDS);
33. National and Provincial spatial development perspectives;
34. Relevant sector plans such as transportation, legislation and policy;
35. National Key Performance Indicators (NKPIs);
36. Accelerated and Shared Growth Initiative (ASGISA);
37. National 2014 Vision;
38. National Spatial Development Perspective (NSDP) and
39. The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's six strategic objectives for the 2014/15 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 11 IDP Strategic Objectives

2014/15 Financial Year	
1.	Financial Viability
2.	Basic Service delivery and infrastructure
3.	Good governance and public participation
4.	Local economic Development
5.	Municipal transformation and institutional development
6.	Spatial analysis and environmental management

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. It provides direction to the Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

The 2014/15 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 12MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

Strategic Objective	Goal	Goal Code	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand												
Institutional Transformation and Organisational Development												
Basic Service delivery and infrastructure Development										36 211	43 630	44 201
Local economic Development										6 870	7 933	8 037
Financial Viability and Management										9 523	11 899	12 055
Good Governance and Public Participation										21 147	25 781	26 119
Municipal transformation and institutional development										7 928	9 916	10 046
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	-	-	-	-	-	-	81 680	99 158	100 457

Table 13 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

Vulamehlo Municipality

2014/15 Draft Budget and MTREF

KZN211 Vulamehlo - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand												
Institutional Transformation and Organisational Development												
Basic Service delivery and infrastructure Development										36 211	47 525	48 307
Local economic Development										6 870	8 641	8 783
Financial Viability and Management										17 923	12 961	13 175
Good Governance and Public Participation										21 147	28 083	28 545
Municipal transformation and institutional development										7 928	10 801	10 979
Allocations to other priorities												
Total Expenditure			1	-	-	-	-	-	-	90 080	108 012	109 789

Table 14MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

KZN211 Vulamehlo - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand												
Institutional Transformation and Organisational Development		A										
Basic Service delivery and infrastructure Development		B								22 400	26 153	27 394
Local economic Development		C										
Financial Viability and Management		D								23		
Good Governance and Public Participation		E								100	100	
Municipal transformation and institutional development		F								210		
		G										
		H										
		I										
		J										
		K										
		L										
		M										
		N										
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	-	-	-	-	-	-	22 733	26 253	27 394

Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages.

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

40. Planning (setting goals, objectives, targets and benchmarks);
41. Monitoring (regular monitoring and checking on the progress against plan);
42. Measurement (indicators of success);
43. Review (identifying areas requiring change and improvement);
44. Reporting (what information, to whom, from whom, how often and for what purpose); and
45. Improvement (making changes where necessary).

The performance information concepts used by the Municipality in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:

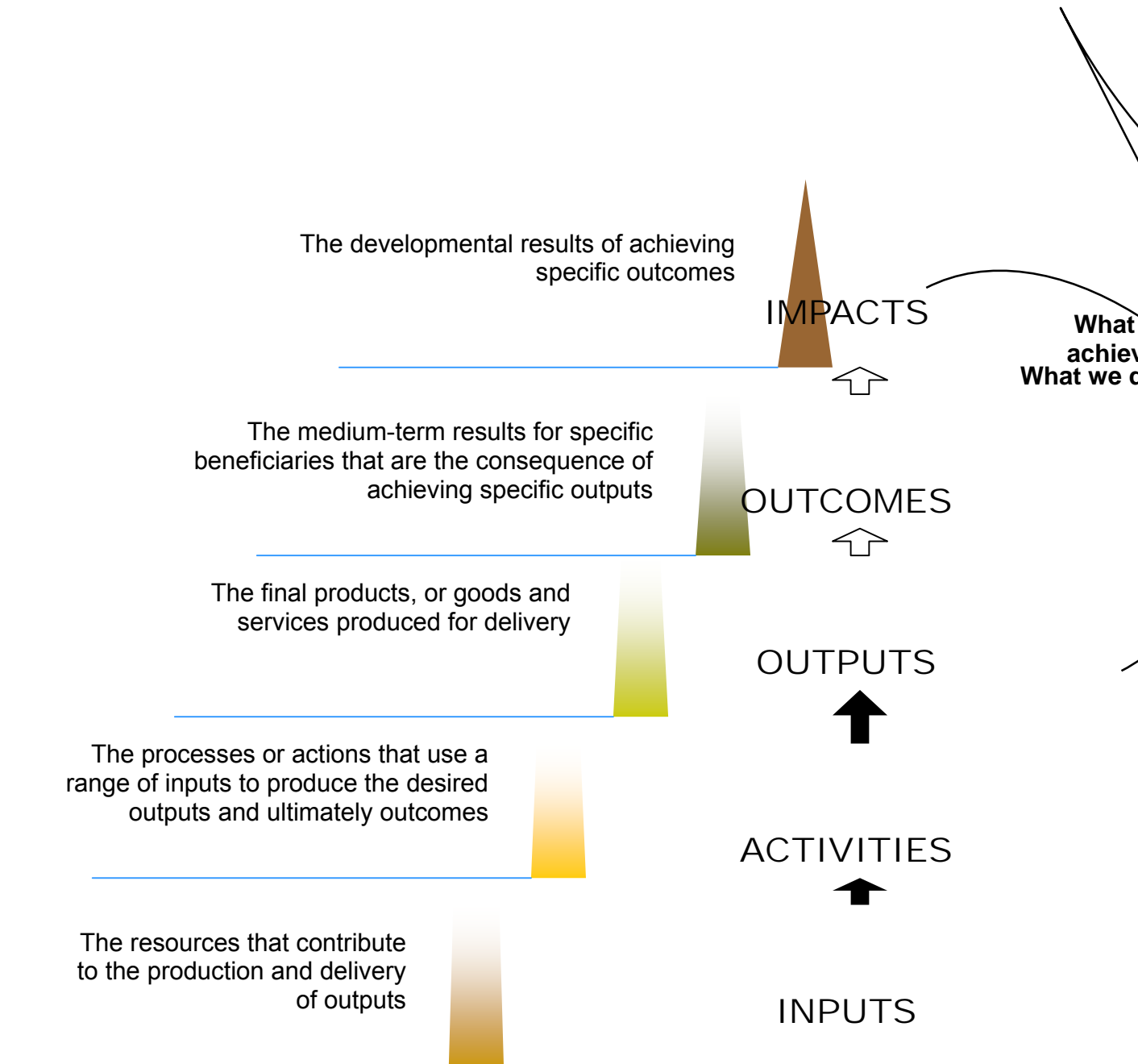


Figure 1 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

KZN211 Vulamehlo - Supporting Table SA7 Measureable performance objectives

[illegible]

The following table sets out the municipalities main performance objectives and benchmarks for the 2011/12 MTREF.

Table 16 MBRR Table SA8 - Performance indicators and benchmarks

KZN211 Vulamehlo - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Borrowing Management</u>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	-1.2%	0.5%	1.1%	0.0%	0.0%	0.0%	0.0%	4.7%	1.4%	1.4%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	-23.9%	9.2%	20.3%	0.0%	0.0%	0.0%	0.0%	114.4%	36.0%	36.3%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	-1022225.0%	0.0%	-2.3%	0.0%	-2.3%	-32.7%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	1.1	0.9	1.0	0.9	0.9	0.9	0.9	3.9	3.7	2.1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.1	0.9	0.8	0.8	0.8	0.8	0.8	3.4	2.6	0.6
Liquidity Ratio	Monetary Assets/Current Liabilities	0.9	0.6	0.6	0.6	0.6	0.6	0.6	3.4	3.4	1.8
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		-603.4%	202.4%	0.0%	243.4%	57.6%	159.5%	159.5%	422.3%	320.9%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			100.0%	62.3%	0.0%	74.9%	57.6%	88.9%	88.9%	374.9%	297.4%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	7.4%	5.2%	7.6%	6.7%	6.3%	6.3%	6.3%	4.2%	1.3%	1.3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<u>Creditors Management</u>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		-306.6%	-274.2%	-196.7%	18.0%	63.9%	15.7%	15.7%	45.5%	64.2%	46.0%
<u>Other Indicators</u>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
Employee costs	Employee costs/(Total Revenue - capital revenue)	22.2%	18.2%	31.5%	37.0%	34.7%	34.7%	34.7%	32.5%	29.2%	24.6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	44.4%	36.5%	47.4%	51.7%	2.5%	51.1%		46.9%	42.2%	35.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	1.9%	0.5%	1.5%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	15.1%	12.5%	17.5%	17.0%	26.7%	4.2%	38.5%	34.6%	29.3%	23.2%
<u>IDP regulation financial viability indicators</u>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	6.0	–	5.5	–	–	–	1.6	3.0	2.9	3.0
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	266.5%	125.9%	132.6%	148.7%	148.7%	148.7%	148.7%	94.0%	34.5%	44.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(0.4)	(0.5)	(0.5)	6.4	3.1	6.7	6.7	1.3	0.8	0.9

References

Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Credit control and debt collection procedures/policies

The 2014/15 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 85 per cent on current billings. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the City's cash levels.

Asset Management policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure.

The Asset Management Policy is considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council in April 2009.

Review of Budget Policy

The Budget Policy is current under review and will be tabled together with the budget on 22 May 2013. The Budget Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the Municipality's system of delegations.

Cash Management and Investment Policy

The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduces time frames to achieve certain benchmarks.

Tariff Policies

The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service

delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation.

Overview of budget assumptions

External factors

Domestically, a majority of our community is unemployed, which 66 per cent of the population. With economic development we will expect a small growth of employed people of about 2.1% within the 2013/2014 financial year.

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2013/14 MTREF:

46. National Government macro economic targets;
47. The general inflationary outlook and the impact on Municipality's residents and businesses;
48. The impact of municipal cost drivers;
49. The increase in the cost of remuneration.

Collection rate for revenue services

The rate of revenue collection is currently expressed as a percentage (85 per cent) of annual billings. Cash flow is assumed to be 85 per cent of billings. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

Salary increases

The Salary and Wages Collective Agreement for the period 1 July 2012 to 30 June 2015, provides for wage increase based on the average CPI for period 1 February 2012 until 31 January 2013 plus 1.25 per cent. According to the MFMA circular 67, the municipalities has been advised the CPI for this period is 5.6 per cent, therefore increases of 6.85 per cent (5.6 per cent plus 1.25 per cent) for the year 2013/2014.

Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

50. Creating jobs;
51. Infrastructure development;
52. Enhancing education and skill development;
53. Improving Health services;
54. Rural development and agriculture; and
55. Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

Overview of budget funding

Medium Term revenue

Vulamehlo Municipality mainly depends on government grants and subsidies.

Investment revenue contributes 1 per cent to the revenue base of the municipality with a budget allocation of R650 000, R700 000 and R750 000 for the respective three financial years of the 2014/15 MTREF. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

The tables below provide d investment information and investment particulars by maturity.

Table 17MBRR SA15 – Detail Investment Information

KZN211 Vulamehlo - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
<u>Parent municipality</u>	1									
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		4 407	3 126	4 864		4 864	11 164	6 164	1 614	2 530
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endow ment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total			4 407	3 126	4 864	-	4 864	11 164	6 164	1 614
<u>Entities</u>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endow ment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		4 407	3 126	4 864	-	4 864	11 164	6 164	1 614	2 530

Table 18MBRR SA16 – Investment particulars by maturity

KZN211 Vulamehlo - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed Interest rate	Interest Rate 3.	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
Parent municipality														
Standard Bank			Call Account	No	Variable				None	8 000	247			8 247
ABSA			Call Account	No	Variable				None	5 164	156			5 320
ABSA			Call Account	no	Variable				None	8 000	247			8 247
														-
														-
														-
Municipality sub-total										21 164		-	-	21 814
Entities														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									21 164		-	-	21 814

Medium-term outlook: capital revenue

The Municipality's capital budget is funded by the Municipal Infrastructure Grant and the surplus for Equitable share.

The Municipal Infrastructure Grant for the MTERF is R17.9million, R18.7 million and R19.3 million for respective years.

Table 19MBRR Table SA 18 - Capital transfers and grant receipts

KZN211 Vulamehlo - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		27 632	31 063	-	37 914	-	-	52 391	65 261	65 879
Local Government Equitable Share		25 632	28 773		35 614			48 657	62 344	62 761
Finance Management		1 250	1 500		1 500			1 800	1 950	2 100
Municipal Systems Improvement		750	790		800			934	967	1 018
EPWP Incentive								1 000	-	-
Other transfers/grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	27 632	31 063	-	37 914	-	-	52 391	65 261	65 879
Capital Transfers and Grants										
National Government:		6 404	15 526	-	23 536	-	-	22 999	27 701	28 362
Municipal Infrastructure Grant (MIG)		6 404	13 526		16 959			17 999	18 701	19 362
					1 577					
Electrification		-	2 000		5 000			5 000	9 000	9 000
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Capital Transfers and Grants	5	6 404	15 526	-	23 536	-	-	22 999	27 701	28 362
TOTAL RECEIPTS OF TRANSFERS & GRANTS		34 036	46 589	-	61 450	-	-	75 390	92 962	94 241

Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good

financial management practice and also improves understandability for councillors and management. Some specific features include:

56. Clear separation of receipts and payments within each cash flow category;
57. Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
58. Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Table20 MBRR Table A7 - Budget cash flow statement

KZN211 Vulamehlo - Table A7 Budgeted Cash Flows

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		1 182	954		7 918				2 532	2 455	2 423
Government - operating	1	36 564	32 155		42 676				52 657	65 796	66 847
Government - capital	1	-	15 741		23 614				22 733	26 253	27 394
Interest		329	221		300				650	700	750
Dividends											
Payments											
Suppliers and employees		13 613	(16 112)		(44 179)				(85 836)	(98 560)	(99 655)
Finance charges		205	(411)		(360)				(1 135)	(1 197)	(1 261)
Transfers and Grants	1	(47 151)	(19 141)								
NET CASH FROM/(USED) OPERATING ACTIVITIES		4 743	13 407	-	29 970	-	-	-	(8 400)	(4 553)	(3 503)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		82	(3 202)		-				-		
Decrease (increase) in non-current debtors					-				-		
Decrease (increase) other non-current receivables		2 661	94		1 000						
Decrease (increase) in non-current investments		5 670	1 281		(6 000)						
Payments											
Capital assets		(12 920)	(14 114)		(23 614)				(22 733)	(26 253)	(27 394)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(4 507)	(15 940)	-	(28 614)	-	-	-	(22 733)	(26 253)	(27 394)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		(491)	3 021		(744)		(744)		-	-	-
Borrowing long term/refinancing					1 000		1 000		-	-	-
Increase (decrease) in consumer deposits											
Payments											
Repayment of borrowing			(1 044)						(1 504)	(1 561)	(515)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(491)	1 976	-	256	-	256	-	(1 504)	(1 561)	(515)
NET INCREASE/ (DECREASE) IN CASH HELD		(254)	(557)	-	1 611	-	256	-	(32 637)	(32 367)	(31 411)
Cash/cash equivalents at the year begin:	2		(254)	(811)	1 904					(32 637)	(65 004)
Cash/cash equivalents at the year end:	2	(254)	(811)	(811)	3 515	-	256	-	(32 637)	(65 004)	(96 415)

Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

59. What are the predicted cash and investments that are available at the end of the budget year?
60. How are those funds used?
61. What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 21 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

KZN211 Vulamehlo - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
<u>Cash and investments available</u>											
Cash/cash equivalents at the year end	1	(254)	(811)	(811)	3 515	–	256	–	(32 637)	(65 004)	(96 415)
Other current investments > 90 days		6 363	5 080	2 715	(1 613)	1 902	1 646	3 013	55 696	99 624	122 415
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		6 108	4 269	1 904	1 902	1 902	1 902	3 013	23 059	34 620	26 000
<u>Application of cash and investments</u>											
Unspent conditional transfers		6 043	2 981	6 764	6 764	6 764	6 764	1 764	1 000	1 000	2 500
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	1 089	312	2 932	(4 615)	2 932	2 932	1 732	419	87	528
Other provisions		–	–	–	–	–	–	–	–	–	–
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:		7 132	3 293	9 696	2 149	9 696	9 696	3 496	1 419	1 087	3 028
Surplus(shortfall)		(1 023)	976	(7 792)	(247)	(7 794)	(7 794)	(483)	21 640	33 533	22 972

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

KZN211 Vulamehlo Supporting Table SA10 Funding measurement

[illegible]

Expenditure on grants and reconciliations of unspent funds

Table 23 MBRR SA19 - Expenditure on transfers and grant programmes

KZN211 Vulamehlo - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		27 632	31 062	-	43 120	43 120	43 120	52 391	65 261	65 879
Local Government Equitable Share		25 632	28 773		40 580	40 580	40 580	48 657	62 344	62 761
Finance Management		1 250	1 500		1 650	1 650	1 650	1 800	1 950	2 100
Municipal Systems Improvement		750	789		890	890	890	934	967	1 018
EPWP Incentive								1 000	-	-
Other transfers/grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants		27 632	31 062	-	43 120	43 120	43 120	52 391	65 261	65 879
Capital expenditure of Transfers and Grants										
National Government:		6 404	15 526	-	23 536	23 536	23 536	22 999	27 701	28 362
Municipal Infrastructure Grant (MIG)		6 404	13 526		16 959	16 959	16 959	17 999	18 701	19 362
					1 577	1 577	1 577			
Electrification		-	2 000		5 000	5 000	5 000	5 000	9 000	9 000
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		6 404	15 526	-	23 536	23 536	23 536	22 999	27 701	28 362
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		34 036	46 588	-	66 656	66 656	66 656	75 390	92 962	94 241

Table 24MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

KZN211 Vulamehlo - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		320	3 607		351			-		
Current year receipts		6 404	2 440		41 543			52 391	65 261	65 879
Conditions met - transferred to revenue		3 118	4 517	-	41 543	-	-	52 391	65 261	65 879
Conditions still to be met - transferred to liabilities		3 607	1 529		351			-	-	-
Provincial Government:										
Balance unspent at beginning of the year		290	290							
Current year receipts		1 250	1 250							
Conditions met - transferred to revenue		1 250	1 540	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		290								
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		4 367	6 058	-	41 543	-	-	52 391	65 261	65 879
Total operating transfers and grants - CTBM	2	3 897	1 529	-	351	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		6 926	2 215							
Current year receipts		8 504	15 741					22 999	27 701	28 362
Conditions met - transferred to revenue		13 215	17 955	-	-	-	-	22 999	27 701	28 362
Conditions still to be met - transferred to liabilities		2 215								
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		13 215	17 955	-	-	-	-	22 999	27 701	28 362
Total capital transfers and grants - CTBM	2	2 215	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		17 582	24 013	-	41 543	-	-	75 390	92 962	94 241
TOTAL TRANSFERS AND GRANTS - CTBM		6 112	1 529	-	351	-	-	-	-	-

Councillor and employee benefits

Table 25 MBRR SA22 - Summary of councillor and staff benefits

KZN211 Vulamehlo - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		5 609	5 154		4 999			3 150	3 307	3 473
Pension and UIF Contributions								787	827	868
Medical Aid Contributions					1 056			1 312	1 378	1 447
Motor Vehicle Allowance					447			285	300	315
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances					77			72	76	79
Sub Total - Councillors		5 609	5 154	-	6 580	-	-	5 607	5 888	6 182
% increase	4		(8.1%)	(100.0%)	-	(100.0%)	-	-	5.0%	5.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		2 116	1 323		2 946			3 407	3 625	3 857
Pension and UIF Contributions			166		29			174	185	197
Medical Aid Contributions								37	39	42
Overtime									-	-
Performance Bonus		200			416				-	-
Motor Vehicle Allowance	3		1 105					36	38	41
Cellphone Allowance	3								-	-
Housing Allowances	3							26	28	29
Other benefits and allowances	3								-	-
Payments in lieu of leave									-	-
Long service awards									-	-
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		2 316	2 593	-	3 391	-	-	3 680	3 915	4 166
% increase	4		12.0%	(100.0%)	-	(100.0%)	-	-	6.4%	6.4%
Other Municipal Staff										
Basic Salaries and Wages		5 814	7 652		9 002			10 203	10 856	11 551
Pension and UIF Contributions		999	286		1 256			1 701	1 810	1 926
Medical Aid Contributions		615			1 059			551	586	624
Overtime					124			206	219	233
Performance Bonus			447		416			845	899	957
Motor Vehicle Allowance	3		376					528	562	598
Cellphone Allowance	3							58	61	65
Housing Allowances	3							6	6	6
Other benefits and allowances	3	458			769			385	409	435
Payments in lieu of leave					163			170	181	192
Long service awards										
Post-retirement benefit obligations	6				25					
Sub Total - Other Municipal Staff		7 886	8 762	-	12 815	-	-	14 652	15 589	16 587
% increase	4		11.1%	(100.0%)	-	(100.0%)	-	-	6.4%	6.4%
Total Parent Municipality		15 810	16 509	-	22 786	-	-	23 939	25 392	26 935
			4.4%	(100.0%)	-	(100.0%)	-	-	6.1%	6.1%

Table 26MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

2014/15 Draft Budget and MTREF

KZN211 Vulamehlo - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4	1	290 213	72 553	144 394			507 160
Chief Whip								-
Executive Mayor		1	362 688	90 672	174 592			627 952
Deputy Executive Mayor		1	290 213	72 553	144 394			507 160
Executive Committee		2	544 014	136 004	273 616			953 634
Total for all other councillors			2 173 236	380 810	1 107 343			3 661 389
Total Councillors	8	5	3 660 364	752 592	1 844 339			6 257 295
Senior Managers of the Municipality	5							
Municipal Manager (MM)			965 607	217 249	-	-		1 182 856
Chief Finance Officer			843 720	10 222	18 000			871 942
Director of Corporate Services			775 987	9 545				785 532
Technical Director			821 634		18 000			839 634
List of each official with packages >= senior manager								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total Senior Managers of the Municipality	8,10	-	3 406 949	237 015	36 000	-		3 679 964
A Heading for Each Entity	6,7							
List each member of board by designation								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
Total for municipal entities	8,10	-	-	-	-	-		-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	5	7 067 313	989 607	1 880 339	-		9 937 259

KZN211 Vulamehlo - Supporting Table SA24 Summary of personnel numbers

[illegible]

Monthly targets for revenue, expenditure and cash flow

Table 28 MBRR SA25 - Budgeted monthly revenue and expenditure

Vulamehlo Municipality

2014/15 Draft Budget and MTREF

KZN211 Vulamehlo - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	
Revenue By Source																	
Property rates		186	186	186	186	186	186	186	186	186	186	186	186	2 235	2 235	2 235	
Property rates - penalties & collection charges														-	-	-	
Service charges - electricity revenue														-	-	-	
Service charges - water revenue														-	-	-	
Service charges - sanitation revenue														-	-	-	
Service charges - refuse revenue														-	-	-	
Service charges - other														-	-	-	
Rental of facilities and equipment		25	25	25	25	25	25	25	25	25	25	25	25	297	220	188	
Interest earned - external investments		54	54	54	54	54	54	54	54	54	54	54	54	650	700	750	
Interest earned - outstanding debtors														-	-	-	
Dividends received														-	-	-	
Fines														-	-	-	
Licences and permits														-	-	-	
Agency services														-	-	-	
Transfers recognised - operational		17 552				17 552				17 553				52 657	65 796	66 847	
Other revenue		259	259	259	259	259	259	259	259	259	259	259	259	3 108	3 040	3 042	
Gains on disposal of PPE														-	-	-	
Total Revenue (excluding capital transfers and contributions)		18 076	524	524	524	18 076	524	524	524	18 077	524	524	524	58 947	71 991	73 062	
Expenditure By Type																	
Employee related costs		1 410	2 820	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 407	18 332	19 505	20 753	
Remuneration of councillors		467	467	467	467	467	467	467	467	467	467	467	467	5 607	5 888	6 182	
Debt impairment													2 000	2 000	2 000	2 222	
Depreciation & asset impairment		700	700	700	700	700	700	700	700	700	700	700	700	8 400	8 854	9 332	
Finance charges		95	95	95	95	95	95	95	95	95	95	95	95	1 135	1 197	1 261	
Bulk purchases														-	-	-	
Other materials														-	-	-	
Contracted services		162	162	162	162	162	162	162	162	162	162	162	161	1 941	5 067	2 156	
Transfers and grants														-	-	-	
Other expenditure		4 389	4 389	4 389	4 389	4 389	4 389	4 389	4 389	4 389	4 389	4 389	4 389	52 664	55 938	58 377	
Loss on disposal of PPE														-	-	-	
Total Expenditure		7 223	8 633	7 223	7 223	7 223	7 223	7 223	7 223	7 223	7 223	7 223	9 220	90 079	98 448	100 283	
Surplus/(Deficit)		10 853	(8 108)	(6 699)	(6 699)	10 853	(6 699)	(6 699)	(6 699)	10 854	(6 699)	(6 699)	(8 695)	(31 133)	(26 457)	(27 222)	
Transfers recognised - capital			1 894	1 894	1 894	1 894	1 894	1 894	1 894	1 894	1 894	1 894	3 789	22 733	26 253	27 394	
Contributions recognised - capital														-	-	-	
Contributed assets														-	-	-	
Surplus/(Deficit) after capital transfers & contributions		10 853	(6 214)	(4 804)	(4 804)	12 748	(4 804)	(4 804)	(4 804)	12 749	(4 804)	(4 804)	(4 907)	(8 400)	(204)	172	
Taxation														-	-	-	
Attributable to minorities														-	-	-	
Share of surplus/ (deficit) of associate														-	-	-	
Surplus/(Deficit)		1	10 853	(6 214)	(4 804)	(4 804)	12 748	(4 804)	(4 804)	(4 804)	12 749	(4 804)	(4 804)	(4 907)	(8 400)	(204)	172

Type text

Table 29MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

Vulamehlo Municipality

2014/15 Draft Budget and MTREF

KZN211 Vulamehlo - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand																
Revenue by Vote																
Vote 1 - MUNICIPAL MANAGER		572	572	572	572	572	572	572	572	572	572	572	578	6 870	7 933	8 037
Vote 2 - FINANCE DEPARTMENT		793	793	793	793	793	793	793	793	793	793	793	800	9 523	11 899	12 055
Vote 3 - CORPORATE SERVICES		1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 765	21 147	25 781	26 119
Vote 4 - TECHNICAL SERVICES		3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 024	36 211	43 630	44 201
Vote 5 - COUNCIL		660	660	660	660	660	660	660	660	660	660	660	668	7 928	9 916	10 046
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Total Revenue by Vote		6 804	6 804	6 804	6 804	6 804	6 804	6 804	6 804	6 804	6 804	6 804	6 836	81 680	99 158	100 457
Expenditure by Vote to be appropriated																
Vote 1 - MUNICIPAL MANAGER		572	572	572	572	572	572	572	572	572	572	572	578	6 870	8 641	8 783
Vote 2 - FINANCE DEPARTMENT		1 493	1 493	1 493	1 493	1 493	1 493	1 493	1 493	1 493	1 493	1 493	1 500	17 923	12 961	13 175
Vote 3 - CORPORATE SERVICES		1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 765	21 147	28 083	28 545
Vote 4 - TECHNICAL SERVICES		3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 024	36 211	47 525	48 307
Vote 5 - COUNCIL		660	660	660	660	660	660	660	660	660	660	660	668	7 928	10 801	10 979
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Total Expenditure by Vote		7 504	7 504	7 504	7 504	7 504	7 504	7 504	7 504	7 504	7 504	7 504	7 536	90 080	108 012	109 789
Surplus/(Deficit) before assoc.		(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(8 400)	(8 854)	(9 332)
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(700)	(8 400)	(8 854)	(9 332)

Table 30 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

KZN211 Vulamehlo - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue - Standard																
<i>Governance and administration</i>		3 788	3 788	3 788	3 788	3 788	3 788	3 788	3 788	3 788	3 788	3 788	3 801	45 469	55 529	56 256
Executive and council		1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 235	14 798	17 848	18 082
Budget and treasury office		793	793	793	793	793	793	793	793	793	793	793	800	9 523	11 899	12 055
Corporate services		1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 765	21 147	25 781	26 119
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services													-	-	-	-
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 024	36 211	43 630	44 201
Planning and development		3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 024	36 211	43 630	44 201
Road transport													-	-	-	-
Environmental protection													-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity													-	-	-	-
Water													-	-	-	-
Waste water management													-	-	-	-
Waste management													-	-	-	-
<i>Other</i>													-	-	-	-
Total Revenue - Standard		6 805	6 805	6 805	6 805	6 805	6 805	6 805	6 805	6 805	6 805	6 805	6 825	81 680	99 158	100 457
Expenditure - Standard																
<i>Governance and administration</i>		3 788	3 788	3 788	3 788	3 788	3 788	3 788	3 788	3 788	3 788	3 788	12 201	53 869	60 487	61 482
Executive and council		1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 233	1 235	14 798	19 442	19 762
Budget and treasury office		793	793	793	793	793	793	793	793	793	793	793	9 200	17 923	12 961	13 175
Corporate services		1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 762	1 765	21 147	28 083	28 545
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services													-	-	-	-
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 024	36 211	47 525	48 307
Planning and development		3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 017	3 024	36 211	47 525	48 307
Road transport													-	-	-	-
Environmental protection													-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity													-	-	-	-
Water													-	-	-	-
Waste water management													-	-	-	-
Waste management													-	-	-	-
<i>Other</i>													-	-	-	-
Total Expenditure - Standard		6 805	6 805	6 805	6 805	6 805	6 805	6 805	6 805	6 805	6 805	6 805	15 225	90 080	108 012	109 599
Surplus/(Deficit) before assoc.		-	-	-	-	-	-	-	-	-	-	-	(8 400)	(8 400)	(8 854)	(9 332)
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	-	-	-	-	-	-	-	-	-	-	-	(8 400)	(8 400)	(8 854)	(9 332)

Table 31 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

KZN211 Vulamehlo - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Multi-year expenditure to be appropriated	1															
Vote 1 - MUNICIPAL MANAGER													-	-	-	-
Vote 2 - FINANCE DEPARTMENT			23										-	23	-	-
Vote 3 - CORPORATE SERVICES				100									-	100	100	-
Vote 4 - TECHNICAL SERVICES		1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	22 400	26 153	27 394
Vote 5 - COUNCIL		210											-	210	-	-
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital multi-year expenditure sub-total	2	2 077	1 890	1 967	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	22 733	26 253	27 394
Single-year expenditure to be appropriated																
Vote 1 - MUNICIPAL MANAGER													-	-	-	-
Vote 2 - FINANCE DEPARTMENT													-	-	-	-
Vote 3 - CORPORATE SERVICES													-	-	-	-
Vote 4 - TECHNICAL SERVICES													-	-	-	-
Vote 5 - COUNCIL													-	-	-	-
Vote 6 - [NAME OF VOTE 6]													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-
Vote 11 - [NAME OF VOTE 11]													-	-	-	-
Vote 12 - [NAME OF VOTE 12]													-	-	-	-
Vote 13 - [NAME OF VOTE 13]													-	-	-	-
Vote 14 - [NAME OF VOTE 14]													-	-	-	-
Vote 15 - [NAME OF VOTE 15]													-	-	-	-
Capital single-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	2	2 077	1 890	1 967	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	22 733	26 253	27 394

Table 32 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

KZN211 Vulamehlo - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Capital Expenditure - Standard	1															
<i>Governance and administration</i>		210	23	100	-	-	-	-	-	-	-	-	-	333	100	-
Executive and council		210												210	-	-
Budget and treasury office			23											23	-	-
Corporate services				100										100	100	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services														-	-	-
Sport and recreation														-	-	-
Public safety														-	-	-
Housing														-	-	-
Health														-	-	-
<i>Economic and environmental services</i>		1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	22 400	26 153	27 394
Planning and development		1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	22 400	26 153	27 394
Road transport														-	-	-
Environmental protection														-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity														-	-	-
Water														-	-	-
Waste water management														-	-	-
Waste management														-	-	-
<i>Other</i>														-	-	-
Total Capital Expenditure - Standard	2	2 077	1 890	1 967	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	1 867	22 733	26 253	27 394
Funded by:																
National Government		7 577				7 577				7 579				22 733	26 253	27 394
Provincial Government														-	-	-
District Municipality														-	-	-
Other transfers and grants														-	-	-
Transfers recognised - capital		7 577	-	-	-	7 577	-	-	-	7 579	-	-		22 733	26 253	27 394
Public contributions & donations														-	-	-
Borrowing														-	-	-
Internally generated funds														-	-	-
Total Capital Funding		7 577	-	-	-	7 577	-	-	-	7 579	-	-	-	22 733	26 253	27 394

Table 33 MBRR SA30 - Budgeted monthly cash flow

Vulamehlo Municipality

2014/15 Draft Budget and MTREF

KZN211 Vulamehlo - Supporting Table SA30 Budgeted monthly cash flow

[illegible]

Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table 34 MBRR SA 34a - Capital expenditure on new assets by asset class

KZN211 Vulamehlo - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure	2	13 330	15 741	–	5 000	5 000	5 000	10 857	11 815	9 000
Infrastructure - Road transport		13 330	15 741	–	–	–	–	5 857	2 815	–
Roads, Pavements & Bridges		13 330	15 741					5 857	2 815	–
Storm water										
Infrastructure - Electricity		–	–	–	5 000	5 000	5 000	5 000	9 000	9 000
Generation										
Transmission & Reticulation					5 000	5 000	5 000	5 000	9 000	9 000
Street Lighting										
Infrastructure - Water		–	–	–	–	–	–	–	–	–
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		–	–	–	–	–	–	–	–	–
Reticulation										
Sewerage purification										
Infrastructure - Other		–	–	–	–	–	–	–	–	–
Waste Management										
Transportation										
Gas										
Other										
Community	3	5 177	–	–	14 211	–	–	11 243	14 351	18 394
Parks & gardens	7	5 047			7 505			5 958	1 200	–
Sportsfields & stadia										
Swimming pools										
Community halls		130			6 706			3 000	2 200	
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing		8								
Other									2 285	10 951

Table 34 MBRR SA 34a - Capital expenditure on new assets by asset class (continued)

<u>Heritage assets</u>		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
<u>Investment properties</u>		-	-	-	-	-	-	-	-	-
Housing development										
Other										
<u>Other assets</u>		-	-	-	1 495	-	-	633	300	-
General vehicles										
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment					250			233		
Computers - hardware/equipment								100		
Furniture and other office equipment					20					
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other					1 225			300	300	
<u>Agricultural assets</u>		-	-	-	-	-	-	-	-	-
List sub-class										
<u>Biological assets</u>		-	-	-	-	-	-	-	-	-
List sub-class										
<u>Intangibles</u>		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Capital Expenditure on new assets	1	18 507	15 741	-	20 707	5 000	5 000	22 733	26 466	27 394
<u>Specialised vehicles</u>		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

Table 35 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

KZN211 Vulamehlo - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
<i>Roads, Pavements & Bridges</i>										
<i>Storm water</i>										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
<i>Generation</i>										
<i>Transmission & Reticulation</i>										
<i>Street Lighting</i>										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
<i>Dams & Reservoirs</i>										
<i>Water purification</i>										
<i>Reticulation</i>										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>										
<i>Sewerage purification</i>										
Infrastructure - Other		-	-	-	-	-	-	-	-	-
<i>Waste Management</i>										
<i>Transportation</i>	2									
<i>Gas</i>										
<i>Other</i>	3									

Table 36MBRR SA34c - Repairs and maintenance expenditure by asset class

Table 37 MBRR SA35 - Future financial implications of the capital budget

KZN211 Vulamehlo - Supporting Table SA35 Future financial implications of the ca

Vote Description	Ref	2014/15 Medium Term Revenue & Expenditure Framework		
		Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand				
Capital expenditure	1			
Vote 1 - MUNICIPAL MANAGER		-	-	-
Vote 2 - FINANCE DEPARTMENT		23	-	-
Vote 3 - CORPORATE SERVICES		100	100	-
Vote 4 - TECHNICAL SERVICES		22 400	26 153	27 394
Vote 5 - COUNCIL		210	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-
<i>List entity summary if applicable</i>				
Total Capital Expenditure		22 733	26 253	27 394
Future operational costs by vote	2			
Vote 1 - MUNICIPAL MANAGER				
Vote 2 - FINANCE DEPARTMENT				
Vote 3 - CORPORATE SERVICES				
Vote 4 - TECHNICAL SERVICES				
Vote 5 - COUNCIL				
Vote 6 - [NAME OF VOTE 6]				
Vote 7 - [NAME OF VOTE 7]				
Vote 8 - [NAME OF VOTE 8]				
Vote 9 - [NAME OF VOTE 9]				
Vote 10 - [NAME OF VOTE 10]				
Vote 11 - [NAME OF VOTE 11]				
Vote 12 - [NAME OF VOTE 12]				
Vote 13 - [NAME OF VOTE 13]				
Vote 14 - [NAME OF VOTE 14]				
Vote 15 - [NAME OF VOTE 15]				
<i>List entity summary if applicable</i>				
Total future operational costs		-	-	-
Future revenue by source	3			
Property rates				
Property rates - penalties & collection charges				
Service charges - electricity revenue				
Service charges - water revenue				
Service charges - sanitation revenue				
Service charges - refuse revenue				
Service charges - other				
Rental of facilities and equipment				
<i>List other revenues sources if applicable</i>				
<i>List entity summary if applicable</i>				
Total future revenue		-	-	-
Net Financial Implications		22 733	26 253	27 394

[Type text]

Table 38MBRR SA36 - Detailed capital budget per municipal vote

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2014/15 Medium Term Revenue & Expenditure Framework			Project Information	
										Audited Outcome 2012/13	Current Year 2013/14 Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	Ward location	New or renewal
R thousand	4			2	6	3	3	5								
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>																
Mpulo and Rwayi						Infrastructure - Road transport	Roads, Pavements & Bridges		3 900			2 885	1 015			New
Fakazi Creche						Other Assets	Other Buildings		2 100			1 500	600			New
Madundubala Community Hall						Community	Community halls		2 600			1 700	900			New
Dududu and Thaleni Road						Infrastructure - Road transport	Roads, Pavements & Bridges		3 800			2 000	1 800			New
Shukumisa Sport Ground						Community	Sportsfields & stadia		4 700			3 500	1 200			New
Qwembe Community Hall						Community	Community halls		2 600			1 300	1 300			New
Dumayo Hall						Community	Community halls		2 841							New
Ngwadini Sports Ground						Community	Sportsfields & stadia		5 266			1 850				New
Skills Centre						Community	Recreational facilities		4 203			785				New
Mfume Sportsground						Community	Sportsfields & stadia		5 423			609				New
Mistake Farm						Infrastructure - Road transport	Roads, Pavements & Bridges		4 848			971				
Other Capital Expenditure																
Parent Capital expenditure	1											17 100	6 815	-		
Entities: <i>List all capital projects grouped by Entity</i>																
Entity A																
Water project A																
Entity B																
Electricity project B																
Entity Capital expenditure										-	-	-	-	-		
Total Capital expenditure										-	-	17 100	6 815	-		

Table 39MBRR SA37 - Projects delayed from previous financial year

KZN211 Vulamehlo - Supporting Table SA37 Projects delayed from previous financial year/s

Municipal Vote/Capital project	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2013/14		2014/15 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand							Year					
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>				<i>Examples</i>	<i>Examples</i>							
Mgangezi access road				Infrastructure - Road transport	Roads, Pavements & Bridges		2013	847	847	-	-	-
Banana Access Road				Infrastructure - Road transport	Roads, Pavements & Bridges		2013	840	840	-	-	-
Matshelsheni access road				Infrastructure - Road transport	Roads, Pavements & Bridges		2013	797	797	-	-	-
Diki access road				Infrastructure - Road transport	Roads, Pavements & Bridges		2013	622	622	-	-	-
Bhewula Access road				Infrastructure - Road transport	Roads, Pavements & Bridges		2013	872	872	-	-	-
Ophondweni Lower Level Bridge				Infrastructure - Road transport	Roads, Pavements & Bridges		2013	861	861	-	-	-
Entities: <i>List all capital projects grouped by Municipal Entity</i>												
Entity Name <i>Project name</i>												

Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days).
2. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. .
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee is shared with the district and is fully functional.
5. Service Delivery and Implementation Plan
The detail 2014/15 draft SDBIP document will be finalised and will be tabled before council.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.

Other supporting documents :

Table 40 MBRR Table SA1 - Supporting detail to budgeted financial performance

KZN211 Vulamehlo - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		1 622	1 894		2 283	2 283	2 283		2 235	2 235	2 235
less Revenue Foregone			407		39	39	39				
Net Property Rates		1 622	1 487	-	2 244	2 244	2 244	-	2 235	2 235	2 235
Service charges - electricity revenue	6										
Total Service charges - electricity revenue											
less Revenue Foregone											
Net Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	6										
Total Service charges - water revenue											
less Revenue Foregone											
Net Service charges - water revenue		-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue											
Total Service charges - sanitation revenue											
less Revenue Foregone											
Net Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	6										
Total refuse removal revenue											
Total landfill revenue											
less Revenue Foregone											
Net Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-
Other Revenue by source											
Rates clearance certificates			4		2	2	2		2	3	3
Hire of hall			1		5	3	3		3		
Sale of tender documents			39		24	30	30		30	32	34
Sundry income		114	77		50	50	50		5	5	5
Insurance refund		-	8						-	-	-
Accumulated Surplus		-	-			3 348	3 348		3 069	3 000	3 000
	3										
Total 'Other' Revenue	1	114	130	-	81	3 432	3 432	-	3 108	3 040	3 042

Table 40 MBRR Table SA1 - Supporting detail to budgeted financial performance (continued)

EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	7 887	8 975		11 876	10 938	10 938		13 610	14 481	15 408
Pension and UIF Contributions			286		1 286	1 286	1 286		1 875	1 995	2 123
Medical Aid Contributions			447		1 059	1 059	1 059		588	626	666
Overtime					124	150	150		206	219	233
Performance Bonus					416	-	-		-	-	-
Motor Vehicle Allowance					488	1 071	1 071		528	562	598
Cellphone Allowance					-	-	-		94	100	106
Housing Allowances					-	551	551		6	6	6
Other benefits and allowances			1 249		769	1 343	1 343		1 255	1 336	1 421
Payments in lieu of leave					163	163	163		170	181	192
Long service awards					-	-	-		-	-	-
Post-retirement benefit obligations	4				25	25	25		-	-	-
sub-total	5	7 887	10 958	-	16 206	16 586	16 586	-	18 332	19 505	20 753
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	7 887	10 958	-	16 206	16 586	16 586	-	18 332	19 505	20 753
Contributions recognised - capital											
List contributions by contract											
Total Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment											
Depreciation of Property , Plant & Equipment		5 203	5 666		13 000	13 000	13 000		8 400	8 854	9 332
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE	10										
Total Depreciation & asset impairment	1	5 203	5 666	-	13 000	13 000	13 000	-	8 400	8 854	9 332
Bulk purchases											
Electricity Bulk Purchases									-		
Water Bulk Purchases									-		
Total bulk purchases	1	-	-	-	-	-	-	-	-	-	-
Transfers and grants											
Cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Total transfers and grants	1	-	-	-	-	-	-	-	-	-	-
Contracted services											
Provision for shares services									400	422	444
Valuation Roll-Maintenance									211	222	234
Cleaning									32	33	35
Lease of office equipment									250	264	278
Security									319	3 357	354
Sita Wan Services									150	158	167
Service Level Agreement									580	611	644

Table 40 MBRR Table SA1 - Supporting detail to budgeted financial performance (continued)

<i>sub-total</i>	1	-	-	-	-	-	-	-	1 941	5 067	2 156
Allocations to organs of state:											
Electricity											
Water											
Sanitation											
Other											
Total contracted services		-	-	-	-	-	-	-	1 941	5 067	2 156
Other Expenditure By Type											
Collection costs											
Contributions to 'other' provisions											
Consultant fees				450				560	590	622	
Audit fees				560				1 000	1 054	1 111	
General expenses	3	5 387		1 433	268	268		401	423	446	
<i>Accommodation</i>				558	562	562		592	624	658	
<i>Burial for Councillors</i>				110	110	110		140	148	156	
<i>Travel</i>				330	129	129		136	143	151	
<i>Capital Expenditure</i>								22 733	26 253	27 394	
<i>Telephone</i>				241	241	241		254	268	283	
<i>Seminars & Workshops</i>				399	195	195		205	216	228	
<i>Refreshments & Catering</i>				153	145	145		152	161	169	
<i>Subsistence and travelling</i>								1 957	2 063	2 174	
<i>Advertising</i>				231	240	240		253	267	281	
<i>Insurance</i>				400	350	350		1 000	1 054	1 111	
<i>Operating Projects</i>				3 408	8 216	8 216		9 764	9 050	9 215	
<i>Salga Kzn Subscriptions</i>				450	450	450		474	500	527	
<i>Operating Grants</i>				2 540	7 482	7 482		4 633	3 852	4 086	
<i>Media Liason</i>								100	105	111	
<i>Repairs and Maintenance</i>								4 951	5 630	5 930	
<i>Ward Committee Incentives</i>					500	500		650	683	717	
<i>Computer licencing</i>				230	230	230		250	264	278	
<i>Electricity</i>				182	200	200		211	222	234	
<i>Legal fees</i>				812	812	812		856	902	950	
<i>Sports & Recreation</i>				264	264	264		278	293	309	
<i>Stationery</i>				174	216	216		228	240	253	
<i>Motor Vehicle Running Expense</i>				840	840	840		886	933	984	
Total 'Other' Expenditure	1	5 387	-	-	13 764	21 449	21 449	-	52 664	55 938	58 377
Repairs and Maintenance	8										
Employee related costs				-							
Other materials				354							
Contracted Services				300							
Other Expenditure		655	732	100	734			4 951	5 630	5 930	
Total Repairs and Maintenance Expenditure	9	655	732	-	754	734	-	-	4 951	5 630	5 930

Table 41MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

KZN211 Vulamehlo - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - MUNICIPAL MANAGER	Vote 2 - FINANCE DEPARTMEN T	Vote 3 - CORPORATE SERVICES	Vote 4 - TECHNICAL SERVICES	Vote 5 - COUNCIL	Vote 6 - [NAME OF VOTE 6]	Vote 7 - [NAME OF VOTE 7]	Vote 8 - [NAME OF VOTE 8]	Vote 9 - [NAME OF VOTE 9]	Vote 10 - [NAME OF VOTE 10]	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue By Source																	
Property rates			2 235														2 235
Property rates - penalties & collection charges																	-
Service charges - electricity revenue																	-
Service charges - water revenue																	-
Service charges - sanitation revenue																	-
Service charges - refuse revenue																	-
Service charges - other																	-
Rental of facilities and equipment				297													297
Interest earned - external investments			650														650
Interest earned - outstanding debtors																	-
Dividends received																	-
Fines																	-
Licences and permits																	-
Agency services																	-
Other revenue		2 069	37	3	1 000												3 108
Transfers recognised - operational		4 801	6 579	20 607	12 927	7 743											52 657
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contributions)		6 870	9 500	20 907	13 927	7 743	-	-	-	-	-	-	-	-	-	-	58 947
Expenditure By Type																	
Employee related costs		2 103	4 375	8 513	2 525												17 517
Remuneration of councillors						5 607											5 607
Debt impairment			2 000														2 000
Depreciation & asset impairment			8 400														8 400
Finance charges			1 135														1 135
Bulk purchases																	-
Other materials																	-
Contracted services		400	580	961													1 941
Transfers and grants																	-
Other expenditure		4 367	1 433	11 533	33 801	2 345											53 479
Loss on disposal of PPE																	-
Total Expenditure		6 870	17 923	21 007	36 326	7 952	-	-	-	-	-	-	-	-	-	-	90 079
Surplus/(Deficit)		(0)	(8 423)	(100)	(22 400)	(210)	-	-	-	-	-	-	-	-	-	-	(31 133)
Transfers recognised - capital			23	100	22 400	210											22 733
Contributions recognised - capital																	-
Contributed assets																	-
Surplus/(Deficit) after capital transfers & contributions		(0)	(8 400)	0	0	0	-	-	-	-	-	-	-	-	-	-	(8 400)

Table 42 MBRR Table SA3 – Supporting detail to Statement of Financial Position

KZN211 Vulamehlo - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days		4 407	3 126						16 164	24 613	12 000
Other current investments > 90 days											
Total Call investment deposits	2	4 407	3 126	-	-	-	-	-	16 164	24 613	12 000
Consumer debtors											
Consumer debtors		840	1 153						3 347	4 551	5 682
Less: Provision for debt impairment		(572)	(816)						(2 640)	(3 640)	(5 640)
Total Consumer debtors	2	268	337	-	-	-	-	-	707	910	42
Debt impairment provision											
Balance at the beginning of the year			572					640	1 640	2 640	3 640
Contributions to the provision			244					1 000	1 000	1 000	2 000
Bad debts written off											
Balance at end of year		-	816	-	-	-	-	1 640	2 640	3 640	5 640
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		122 947	136 815	137 623	137 623	137 623	137 623	162 060	159 751	177 886	182 000
Leases recognised as PPE											
Less: Accumulated depreciation	3	36 607	54 458	40 977	40 977	40 977	40 977	51 534	66 934	82 334	86 457
Total Property, plant and equipment (PPE)	2	86 340	82 357	96 646	96 646	96 646	96 646	110 525	92 817	95 552	95 543
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities		771	1 730	863	863	863	863	883	200	200	200
Total Current liabilities - Borrowing		771	1 730	863	863	863	863	883	200	200	200
Trade and other payables											
Trade and other creditors		2 619	1 879	2 932	2 932	2 932	2 932	1 732	1 632	1 432	1 500
Unspent conditional transfers		6 043	2 981	6 764	6 764	6 764	6 764	1 764	1 000	1 000	2 500
VAT											
Total Trade and other payables	2	8 662	4 860	9 696	9 696	9 696	9 696	3 496	2 632	2 432	4 000
Non current liabilities - Borrowing											
Borrowing	4	821	1 839	920	920	920	920	1 000	200	200	250
Finance leases (including PPP asset element)		(572)	(816)	(640)	(640)	(640)	(640)	(640)	(100)	(120)	(150)
Total Non current liabilities - Borrowing		249	1 023	279	279	279	279	360	100	80	100
Provisions - non-current											
Retirement benefits											
List other major provision items											
Refuse landfill site rehabilitation											
Other											
Total Provisions - non-current		-	-	-	-	-	-	-	-	-	-
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance			98 245	115 036			115 036	106 974	172 910	194 007	215 000
GRAP adjustments			(260)				7 610	55 323			
Restated balance		-	97 986	115 036	-	-	122 646	162 297	172 910	194 007	215 000
Surplus/(Deficit)		(16 740)	(15 007)	-	16 442	11 403	11 403	-	(8 400)	(204)	172
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets											
Other adjustments											
Accumulated Surplus/(Deficit)	1	(16 740)	82 979	115 036	16 442	11 403	134 049	162 297	164 510	193 803	215 172
Reserves											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	(16 740)	82 979	115 036	16 442	11 403	134 049	162 297	164 510	193 803	215 172

Table 43 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

KZN211 Vulamehlo - Supporting Table SA9 Social, economic and demographic statistics and assumptions

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2010/11	2011/12	2012/13	Current Year 2013/14	2014/15 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population		Census 2011					83	83	83			
Females aged 5 - 14		Census 2011					13	13	13			
Males aged 5 - 14		Census 2011					11	11	11			
Females aged 15 - 34		Census 2011					15	15	15			
Males aged 15 - 34		Census 2011					13	13	13			
Unemployment		Census 2011					55	55	55			
Monthly household income (no. of households)	1, 12											
No income		per Census 2011					4 891	4 891	4 891			
R1 - R1 600												
R1 601 - R3 200												
R3 201 - R6 400		per Census 2011 income from R1-R9600					5 610	5 610	5 610			
R6 401 - R12 800												
R12 801 - R25 600												
R25 601 - R51 200												
R52 201 - R102 400												
R102 401 - R204 800		per Census income from R9600- R153600					3 740	3 740	3 740			
R204 801 - R409 600		per Census income above R153600					144	144	144			
R409 601 - R819 200												
> R819 200												
Poverty profiles (no. of households)												
< R2 060 per household per month	13											
Insert description	2											
Household/demographics (000)												
Number of people in municipal area		per Census 2011					83	83	83			
Number of poor people in municipal area												
Number of households in municipal area		per Census 2011					14	14	14			
Number of poor households in municipal area												
Definition of poor household (R per month)												
Housing statistics												
Formal	3	per Census 2011					4 316	4 316	4 316			
Informal		per Census 2011					10 069	10 069	10 069			
Total number of households			-	-	-	-	14 385	14 385	14 385	-	-	-
Dwellings provided by municipality	4											
Dwellings provided by province/s												
Dwellings provided by private sector	5											
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic												
Inflation/inflation outlook (CPI)	6											
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates												
Property tax/service charges	7											
Rental of facilities & equipment												
Interest - external investments												
Interest - debtors												
Revenue from agency services												

Municipal manager's quality certificate

I, municipal manager of Vulamehlo Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name _____

Municipal manager of Vulamehlo Municipality (KZN211)

Signature _____

Date _____